




Subject: **Municipal Participation in Lone Butte Solar Project**
 Meeting Date: Tuesday, November 12, 2024
 Prepared By: Barb Hazelton, Manager of Planning & Development
 Presented By: Barb Hazelton, Manager of Planning & Development

STRATEGIC PLAN ALIGNMENT: (Check all that apply)

	<input type="checkbox"/>		<input type="checkbox"/>		<input checked="" type="checkbox"/>		<input type="checkbox"/>		<input checked="" type="checkbox"/>
High Quality Infrastructure		Economic Resilience		Quality of Life		Effective Leadership		Level of Service	

RELEVANT LEGISLATION:

Provincial (cite)- Municipal Government Act, Alberta Utilities Commission Act, Renewable Energy Act
Council Bylaw/Policy (cite)- Bylaw 1829: Municipal Development Plan, Bylaw 1808: Land Use Bylaw, Bylaw 1889: Land Use Bylaw amendment for Renewable Energy

BACKGROUND/PROPOSAL:

On May 30, 2023, Council moved to consider on a case-by-case basis the level of participation they would like the municipality to take during the AUC process regarding applications for renewable energy projects. This Request for Decision is to bring forward the Lone Pine Solar project for Council direction.

On October 4, 2024, Acciona Energy Canada Global, Inc. submitted their application to the Alberta Utilities Commission for the Lone Butte Solar Project proposed on approximately 2,000 acres of privately owned and cultivated land in Kneehill County. The proposed power plant will have a total capacity of 450MW_{ac} (585MW_{dc}) The application has been attached for information purposes.

DISCUSSION/OPTIONS/BENEFITS/DISADVANTAGES/OTHER CONSIDERATIONS:

Additional questions have been received by Council both specific to this application as well as some general questions that may be able to be addressed through policy. Administration has provided a response below.

- 1. Can the AUC elaborate on the feedback received from landowners and the community during the project design phase? How has this feedback been incorporated into the project to address concerns and enhance community benefits?**

While the municipality cannot direct how the AUC considers the feedback received or how they respond in their decision report, as a participant in the process, the municipality can request clarity around this process and whether or not any changes were made based on the feedback received.

- 2. How will the project's connection to the Alberta Interconnected Electric System (AIES) impact the local infrastructure and economy? Are there any anticipated benefits or challenges related to this connection?**

The Alberta Electric System Operator (AESO) is a not-for-profit organization with no financial investment in the industry. They are tasked with ensuring reliable energy is available, now and in the future. They manage the grid and dispatch the power through it to the end consumer. Other



companies own the generation, transmission and distribution facilities. In cases where more infrastructure needs to be developed to move the power from generation to the end consumers, they work with those partners. In Alberta there are 4 major Transmission Facility Owners (AltaLink, ATCO, ENMAX, EPCOR). Transmission lines are built as directed by the AESO and approved by the AUC. Any proposed projects of this scale will likely need to construct transmission lines to move the power from generation to consumer. There is currently a tandem transmission project that will coincide with this proposed project. Providing power to a new area does create opportunities for development that may not have previously been available. If approved, there will likely be some impacts dependent on the route chosen and during the construction of the line.

3. What fire suppression measures are being implemented for the Lone Butte Solar Project? What training and funding are available to local fire departments to ensure they are equipped to handle fire mitigation specific to solar and wind energy installations?

At this point the application and draft Emergency Response Plan sit in the AUC process. Once the application is approved and we can see how the ERP was considered, Kneehill County may have an opportunity to request additional amendments to this plan. Fire response teams are aware of the developments and hazards in their area. We have Standard Operating Guidelines (SOGs) in place, which are formal written guidelines for incident response. These SOGs have both operational and technical components that enable emergency responders to act in a coordinated fashion. We also have a Level of Service Policy that details what level of Fire Services we provide within the County. If we are called to respond to anything that would fit in these categories, it would be at an Awareness Level which in essence means fire services would try and contain the incident to that site to the best of our training and as resources allow.

Regarding training - General Hazmat Awareness and Operations is part of the 10-01 Training which is offered throughout all departments on a rotational basis. Competency training and practices continue throughout the year in every fire department. Our Dangerous Goods Standard Operating Guideline states that we respond at an Awareness Level and is outlined in our Fire Level of Service Policy. Other companies across the province would be called in to support the response. The response expense has historically been charged to the company.

4. What specific ratepayer-funded upgrades are required to support the delivery of low-cost, renewable energy to a high-load area of the AIES? How will these upgrades be managed and communicated to the ratepayers?

As with any development that falls within our borders, upgrades to roads or services may be required. Any upgrades that fall to Kneehill County for ongoing maintenance would require the oversight of Council and as per current policy, the developer bears the cost for these upgrades. These decisions are made in a public arena and any motions of Council would be communicated through existing methods. Council could choose to provide incentives to encourage development and to help alleviate these costs, however, presently these incentives are not in place.

Administration is looking for Council direction specific to the Lone Butte Solar Project level of participation. Based on previous projects, Administration notes the following concerns of Council:

1. The balance between public interest and the use of high quality of agricultural land that is being removed from production for renewable energy projects.
2. The importance of the rural way of life in Kneehill County
3. The concern with the reclamation of the site, specific to the ability to recycle components and clarification of the responsible party if the company becomes insolvent.
4. Weeds, pest control and disease transfer.



5. Timing of the construction and the potential for erosion of the lands.
6. Potential impacts to waterways and potential offsite impacts
7. Transmission and collector line locations
8. Emergency response
9. Alteration of the land ratings

Council has since amended the renewable energy sections of the Land Use Bylaw outlining protections for agricultural land and incorporating setbacks to waterbodies and urban boundaries. Are the requirements as laid out in the renewable energy sections of the Land Use Bylaw sufficient, or are there other considerations Council would like to include specific to this project? There is still no deadline for submissions noted in this application. Administration has also included a copy of the submission done by Administration and the Reeve for the Three Hills Solar project for reference.

FINANCIAL & STAFFING IMPLICATIONS:

Depending on the level of involvement that Council would like administration to take, there may be implications to staff resources. There could also be potential financial impacts. If Council wants to fully participate in the hearing (including the hiring of experts), Council will need to designate funds for this level of participation. Potential costs are unknown at this time and could exceed \$50,000 with some reimbursement potential.

RECOMMENDED ENGAGEMENT:

Directive Decision (Information Sharing, One-Way Communication)

Tools:	Individual Notification	Other:	
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ATTACHMENTS:

Lone Butte Solar Project Application

COUNCIL OPTIONS:

1. That Council provide direction to Administration regarding the level of AUC participation they would like to engage in for the Lone Butte Solar Project.
2. Council move to participate by written submission.
3. Council move to have staff representation at the hearing to outline specific concerns and highlight the information we would like the AUC to consider.
4. Council move that Administration proceed with acquiring expert representation at the hearing.
5. Council accept as information.

RECOMMENDED MOTION:

That Council determine the level of municipal participation in this project.

FOLLOW-UP ACTIONS:

Administration to follow the Direction of Council.

APPROVAL(S):

Mike Haugen, Chief Administrative Officer

Approved-

